



Introduced Version

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## HOUSE RESOLUTION No. \_\_\_\_

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*Introduced by: Lehman*

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A HOUSE RESOLUTION urging Indiana's federal elected officials in Washington, D.C. — including the President of the United States, United States Senators Dan Coats and Joe Donnelly, and United States Representatives Pete Visclosky, Jackie Walorski, Marlin Stutzman, Todd Rokita, Susan Brooks, Luke Messer, Andre Carson, Larry Bucshon, and Todd Young — to fight for strong enforcement of our nation's trade laws to level the playing field with China and other countries, taking whatever action necessary to protect the domestic steel industry from unfair foreign competition; and urging the Department of Commerce to maintain China's "non-market economy" status to preserve the ability of United States companies and American workers to access domestic trade remedy laws.

*Whereas, Manufacturing is a critical part of Indiana's*

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*economy, representing a 29.45 percent share of the gross state product;*

*Whereas, Indiana has 515,700 manufacturing jobs, representing 16.02 percent of total state employment;*

*Whereas, Manufacturing industrial sectors are at risk of sliding back into recession due to an alarming surge of unfairly priced imports from China and other nations;*

*Whereas, The United States trade deficit with China set a new record in 2015 at \$366 billion;*

*Whereas, Manufacturing gained only 30,000 jobs nationwide in 2015, compared to 2.7 million across the entire economy;*

*Whereas, The Institute for Supply Management manufacturing index shows that the sector contracted in February 2016 for the fifth consecutive month;*

*Whereas, The steel industry, in particular, is suffering from an unprecedented surge in imports from a number of countries around the world, including China;*

*Whereas, Steel is both a fundamental building block of our economy, ranging from trucks and autos to energy production and transmission, to transportation infrastructure including bridges, highways, airports, and railroads, to public safety infrastructure such as water treatment, to construction of hospitals, schools, industrial plants, and commercial buildings;*

*Whereas, Steel is used in a broad range of military applications, ranging from aircraft carriers to nuclear submarines to tanks and armored transports;*

*Whereas, The steel sector is an engine for good-paying jobs for over one million Americans;*

*Whereas, Indiana has the sixth most jobs supported by domestic steel production of all states;*



*Whereas, Each steel job supports up to seven other jobs in the economy;*

*Whereas, Major steel mills have been recently idled with over 12,000 layoffs announced;*

*Whereas, Finished steel imports increased by a dramatic 36 percent in 2014 and set an all-time record;*

*Whereas, Finished steel imports captured 29 percent of the United States market in 2015, the second consecutive year that figure was at an all-time record, up from just 23 percent in 2013;*

*Whereas, Domestic steel shipments declined by over 12 percent in 2015 and plant activity (capacity utilization) averaged just 70 percent for 2015, well below levels necessary to be profitable;*

*Whereas, A major cause of the steel import surge is global steel industry overcapacity — a measure of excess production capacity above what is necessary to meet market demand;*

*Whereas, China's steel industry is almost completely state owned and state supported by China's central and provincial governments, with nine out of its top 10 producers state owned;*

*Whereas, China now represents half of all global steel production;*

*Whereas, The Organization for Economic Cooperation and Development (OECD) estimates that there are almost 700 million metric tons of excess steel capacity globally today;*

*Whereas, Overcapacity is especially severe in China, where the American Iron and Steel Institute (AISI) estimates that 425 million metric tons of the worldwide overcapacity total are represented;*

*Whereas, The United States produces less than 100 million metric tons annually;*



*Whereas, China continues to overproduce steel with the backing of aggressive government support and trade policies;*

*Whereas, Chinese crude steel production soared from 128 million metric tons in 2000 to 823 million metric tons in 2014, an increase of almost 700 million tons;*

*Whereas, China's steel exports surged 20 percent from 2014 to 2015;*

*Whereas, China exported more steel in 2015 than any other country produced;*

*Whereas, China's exports are flooding every market around the world, creating a domino effect on trade flows; and*

*Whereas, Much of the world's steel ends up in the United States because we have the most open market in the world, and because other countries are more aggressive in putting safeguards and tariffs in place: Therefore,*

*Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:*

- 1 SECTION 1. That the Indiana House of Representatives:
- 2 (1) urges Indiana's federal elected officials in Washington, D.C.—
- 3 including the President of the United States, United States
- 4 Senators Dan Coats and Joe Donnelly, and United States
- 5 Representatives Pete Visclosky, Jackie Walorski, Marlin
- 6 Stutzman, Todd Rokita, Susan Brooks, Luke Messer, Andre
- 7 Carson, Larry Bucshon, and Todd Young — to fight for strong
- 8 enforcement of our nation's trade laws to level the playing field
- 9 with China and other countries, taking whatever action necessary
- 10 to protect the domestic steel industry from unfair foreign
- 11 competition; and
- 12 (2) urges the Department of Commerce to maintain China's
- 13 "non-market economy" status, which preserves the ability of
- 14 United States companies and American workers to access
- 15 domestic trade remedy laws.
- 16 SECTION 2. That the Principal Clerk of the House of
- 17 Representatives transmit a copy of this resolution to Indiana's
- 18 Congressional delegation.

